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Central Intelligence Agency

Executive Registry
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Washington, D.C. 20505

04 AUG 1983

Honorable David A. Stockman
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Stockman:

This is in response to your request for the views of the Central Intelligence Agency on Enrolled Bill S.272, an act to improve small business access to Federal procurement information. The Act continues the requirement that Federal agencies publish notice of procurements above stated dollar thresholds, with ten enumerated exemptions. The Act adds the new requirements that Federal agencies wait a specified time interval after publication of a notice of procurement before awarding the contract and that sole source contracts above a stated dollar threshold be approved by the head of the procuring activity or his deputy. I have no objection to Presidential approval of the legislation.

Concerning the impact of this legislation on the Central Intelligence Agency, the Act retains existing law exempting classified procurements from the requirement of publishing procurement notices in the Commerce Business Daily. Consequently, this Act assures that this notice requirement will not interfere with the mission of the Central Intelligence Agency.

I do wish to express concern, however, about the requirement that any sole source contract over a specified threshold amount must be approved by the head of the procuring activity or his deputy, on a non-delegable basis. The fact that this approval requirement is non-delegable could act to impede the efficient administration of procurement activities throughout the federal government, especially as the threshold for requiring this approval is successively reduced to the $300,000 threshold in fiscal year 1986. I believe this aspect of the Act forebodes an undesirable trend.

We appreciate very much the opportunity to comment on this legislation.

Sincerely,

/s/ John N. McMahon

John N. McMahon
Deputy Director of Central Intelligence

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